

HOSPITALS AND MEDICAL CARE FOR PHILIPPINE VETERANS

Agreement signed at Manila June 7, 1949, with exchange of memorandums at Manila June 7 and August 5, 1949

Entered into force June 7, 1949

Modified by agreement of October 6, 1954¹

Superseded July 1, 1958, by agreement of June 30, 1958²

63 Stat. 2593; Treaties and Other
International Acts Series 1949

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES ON THE CONSTRUCTION AND EQUIPPING OF HOSPITALS FOR VETERANS AND THE PROVISION OF MEDICAL CARE AND TREATMENT OF VETERANS BY THE GOVERNMENT OF THE PHILIPPINES, AND THE FURNISHING OF GRANTS-IN-AID THEREOF BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA

WHEREAS, the Congress of the United States by Public Law 865, Eightieth Congress, approved July 1, 1948,³ has provided for assistance by grants-in-aid to the Republic of the Philippines in providing medical care and treatment for certain veterans, as defined below; and

WHEREAS, the Government of the Republic of the Philippines is desirous of taking advantage of the provisions thereof for the purpose of expanding and improving the program of medical care and hospitalization of those disabled veterans who come within the purview of Public Law 865, Eightieth Congress;

The Governments of the United States and the Republic of the Philippines have decided to conclude an agreement for the above purposes, the provisions of which the Government of the United States will incorporate in the regulations to be promulgated pursuant to the provisions of the said Public Law, and do hereby agree as follows:

¹ 5 UST 2510; TIAS 3111.

² 9 UST 987; TIAS 4067.

³ 62 Stat. 1210.

TITLE I

PURPOSE AND DURATION

ARTICLE 1. Subject to mutual agreement, the necessary Appropriation Acts of the United States Congress, and such rules and regulations as, from time to time, may be prescribed by the Administrator of Veterans' Affairs, to whom the President of the United States has delegated the authority conferred upon him by the aforesaid Act, the Government of the United States will furnish aid in the form of grants to the Republic of the Philippines in amounts as prescribed by said Act, as follows:

(a) For the construction and equipping of hospitals in the Philippines to be used exclusively for medical care and treatment of veterans for service-connected disabilities, in a total amount of not to exceed \$22,500,000.00.

(b) To reimburse the Republic of the Philippines for moneys expended for the hospitalization of such veterans either in the hospitals so constructed and equipped, or any other hospitals in the Philippines, as provided in the aforesaid Act, for a period of not to exceed five years, in a total amount of not to exceed \$3,285,000.00 for any fiscal year (July 1 through June 30).⁴

ARTICLE 2. Grants for the construction and equipping of a hospital may be made prior to or following completion of such hospital, subject to the rules and regulations prescribed by the Administrator of Veterans' Affairs, and subject to conditions on the receipt of financial aid necessary to carry out the provisions of the Act, which may be imposed by him.

TITLE II

DELEGATION OF AUTHORITY

ARTICLE 3. The Secretary of National Defense of the Philippine Government, under the general direction of the President of the Republic of the Philippines, shall have full authority to administer, for the Government of the Republic of the Philippines, all matters relating to the construction and equipping of hospitals for veterans and the provision of medical care and treatment for veterans, within the purview of Public Law 865, 80th United States Congress.

TITLE III

DEFINITIONS

ARTICLE 4. The term "veterans" is agreed to mean persons who have been determined by the Veterans Administration to have served in the organized military forces of the Government of the Commonwealth of the Philippines while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States, dated July 26, 1941, including, among such military forces, organized

⁴ For a modification of art. 1, para. (b), see 5 UST 2510; TIAS 3111.

guerrilla forces under commanders appointed, designated, or subsequently recognized by the Commander-in-Chief, Southwest Pacific Area, or other competent authority in the Army of the United States, and who were discharged or released from such service under conditions other than dishonorable.

ARTICLE 5. The term "service-connected disabilities" is agreed to mean any disability which has been determined by the Veterans' Administration to have resulted from personal injury suffered or disease contracted in service as defined in Article 4 hereof, or any aggravation of a disability existing prior to the service as defined, when such aggravation is determined by the Veterans' Administration to have been suffered or contracted in service as defined in Article 4, above.

TITLE IV

GRANTS FOR CONSTRUCTION AND EQUIPPING OF HOSPITALS

ARTICLE 6. The Government of the Republic of the Philippines agree to furnish an adequate building site for each hospital to be constructed under the terms of this agreement, at no expense to the government of the United States.

ARTICLE 7. Amounts necessarily expended for technical services required and obtained for preparation of plans and specifications, supervision of construction, and for overhead expenses incident to these functions will be reimbursed in the form of grants made by the Government of the United States, if specifically approved by the Administrator of Veterans' Affairs of the United States. In no event will the total of such amounts exceed 5% of the total construction cost.

ARTICLE 8. The Government of the United States, through such qualified persons as the Administrator of Veterans' Affairs shall designate, shall inspect and approve each building site before construction of a hospital thereon is commenced.

ARTICLE 9. The Government of the United States, through such qualified persons as the Administrator of Veterans' Affairs shall designate, shall have the right to inspect buildings being constructed under this agreement, at all stages of construction; to inspect and audit all accounts necessary and incident to such construction; and to approve the procedure for letting of contracts both for hospital construction and the purchase of equipment.

ARTICLE 10. As a basis for determining the amount of funds to be granted for the program embraced by this agreement, there shall be transmitted to the Administrator of Veterans' Affairs by the Secretary of National Defense of the Philippine Government as early as may be following the entrance into force of this agreement, an itemized, detailed description of a hospital, or hospitals, upon which construction is expected and intended to be commenced, together with an accurate, detailed plat or map showing the prospective location thereof; an estimate of the time expected to be required for

building and equipping, information detailing the size of each hospital, its general plan and conformation and the type of materials intended to be used therein, and an estimate of the costs of construction, materials, and equipment.

ARTICLE 11. Following the concurrence by the Administrator of Veterans' Affairs in such preliminary plans, full-scale plans, blueprints and specifications for all of the buildings and equipment embraced in such data, together with proposed contract forms and forms of bids to be employed, shall be prepared by the Secretary of National Defense of the Philippine Government and transmitted for the concurrence of the Administrator of Veterans' Affairs. If concurred in, the Administrator of Veterans' Affairs shall make to the Government of the Philippines such installment-grants as the efficient progress of the construction program and the need for such equipment may, in his judgment, warrant.

ARTICLE 12. Any sums appropriated for the construction and equipping of hospitals under Public Law 865, 80th United States Congress, remaining unobligated at the end of any fiscal year shall be permitted to be carried over to the ensuing fiscal year.

TITLE V

GRANTS FOR EXPENSES INCIDENT TO HOSPITALIZATION OF VETERANS

ARTICLE 13. In the interim period required for the construction of hospitals under this agreement, veterans requiring treatment of service-connected disabilities may be hospitalized, upon a reimbursement basis, within the terms of Public Law 865, 80th United States Congress, in such existing hospitals in the Philippines, as the Secretary of National Defense of the Philippine Government may direct.

ARTICLE 14. The question of whether to hospitalize veterans, requiring treatment for service-connected disabilities, prior to an official determination of their status and eligibility having been made by the Veterans' Administration, or whether to require such determination of status and eligibility to be made prior to hospitalizing them, will be wholly within the discretion of the Secretary of National Defense of the Philippine Government, depending upon such contingencies and exigencies as the Secretary of National Defense of the Philippine Government may deem it appropriate to consider.

ARTICLE 15. The Government of the Republic of the Philippines agrees that upon the receipt of any application for hospitalization under the terms of Public Law 865, 80th United States Congress, the Veterans' Administration shall be furnished a copy thereof, together with such information relating to the applicant's military service as may be currently available and full medical information of the disabilities existing for which treatment is needed, and the Veterans' Administration shall thereupon make due and diligent effort to determine, without delay the status and eligibility of such applicant for such hospitalization under the Act, furnishing to the Secretary of National Defense of the Philippine Government, or such other officer as

he may designate, an official notification of the determination which has been made respecting such applicant's eligibility for such hospitalization.

ARTICLE 16. In all cases in which it has been officially determined by the Veterans' Administration that the applicants are eligible for and are receiving, or subsequent to July 1, 1949, have received hospitalization for service-connected disabilities upon the authority of the Secretary of National Defense of the Philippine Government or other officers duly designated by him for this purpose, itemized bills covering the cost of such hospitalization will be furnished to the Veterans' Administration for consideration and award of payment.

ARTICLE 17. The Secretary of National Defense of the Philippine Government will, with the concurrence of the Administrator of Veterans' Affairs, cause such printed forms of applications for hospitalization, forms of physical examination reports, forms for billing for services rendered and such other forms and notices as may be necessary and incident to the efficient execution of this program, to be prepared, and such approved forms will be used wherever applicable in the general operation of such program.

ARTICLE 18. The Republic of the Philippines will be reimbursed for moneys expended for hospitalization of eligible veterans at such rates as are established by the Secretary of National Defense of the Philippine Government with the concurrence of the Administrator of Veterans' Affairs. It is understood that such rates may vary from time to time or from place to place, but only following agreement on such changes by the Secretary of National Defense of the Philippine Government and the Administrator of Veterans' Affairs.

ARTICLE 19. The Secretary of National Defense of the Philippine Government shall furnish to the Administrator of Veterans' Affairs, upon his request, or the request of any officer duly designated by him for such purpose, full and complete cost-accounting information, copies of medical examination and treatment reports and any other information deemed by him to be necessary and incident to the proper application of the terms of this agreement.

ARTICLE 20. The Government of the United States through such qualified persons as the Administrator of Veterans' Affairs may designate, shall have the right to inspect any hospital in which veterans are being hospitalized under the terms of this agreement; to inspect and audit its books and all accounts as an incident to the proper determination of cost of and reimbursement for such hospitalization; and to determine whether the hospital facilities, procedures, techniques, hygiene and standards, as well as the quality of subsistence furnished, are adequate and proportionate to the charges being made therefor.

ARTICLE 21. Appropriations for medical care and treatment for veterans

under Public Law 865, 80th United States Congress, will, if unobligated at the end of the fiscal year, revert to the United States Treasury.

ARTICLE 22. No hospital constructed under the terms of Public Law 865, 80th United States Congress, or any part or equipment thereof, shall be alienated, transferred, sold or assigned, and in the event any such hospital, part or equipment thereof shall no longer be desirable for use in the program of hospitalization embraced by this agreement, the disposition thereof shall be determined by mutual consent of the two Governments.⁶

ARTICLE 23. It is agreed between the two Governments that if the conditions and terms of the agreement are not being met, the Secretary of National Defense of the Philippine Government and the Administrator of Veterans' Affairs or his designee shall enter into immediate consultation with a view to compliance with said terms and conditions. The initiation of such consultations by either Government shall not limit or qualify the duty and obligation of the Administrator of Veterans' Affairs to withhold or suspend payments when in his judgment such payments would not be in accordance with the terms of this agreement.

ARTICLE 24. It is agreed by the two Governments that the program of medical care and treatment of veterans under Public Law 865, 80th United States Congress, may be effective from July 1, 1949, or such subsequent date as may be agreed upon by the two Governments.

ARTICLE 25. This agreement shall come into force upon the date of its signature and remain in force until amended or terminated by subsequent agreement. Such amendment or revocation may be accomplished by an exchange of notes between the two Governments.

ARTICLE 26. The Government of the Republic of the Philippines shall save harmless all officers and employees of the U.S. Veterans Administration from damage suits or other civil actions arising out of the performance of their duties under this agreement.

ARTICLE 27. Officers, employees, and agents of the Government of the United States of America who are citizens of the United States and who are on duty or who may be assigned to duty in the Republic of the Philippines under the provisions of the present Agreement, and their families, shall be permitted to move freely into and out of the Republic of the Philippines, subject to existing visa and passport regulations. Gratis transit shall be extended to all such officers, employees or agents of the U.S. Veterans Administration over all bridges, ferries, roads, and other facilities of the highways where tolls are collected for passage of vehicles or occupants in the performance of their official duties.

ARTICLE 28. No import, excise, consumption, or other tax, duty, impost fee, charge or exaction shall be imposed or collected by the Republic of the Philippines on funds or property in the Republic of the Philippines which

⁶ For an understanding with reference to art. 22, see exchange of memorandums, p. 191.

are for use for purposes, under this agreement, or on any funds or property imported into the Republic of the Philippines for use in connection with such purposes. No tax, duty, impost fee, charge or exaction shall be imposed or collected by the Republic of the Philippines on personal funds or movable property, not intended for resale, owned by U.S. Veterans Administration personnel under the program covered by this agreement, who are citizens of the United States, nor shall any tax, duty, impost fee, charge or exaction be imposed or collected by the Republic of the Philippines on the official emoluments paid to the U.S. Veterans Administration personnel, under the program covered by this agreement, who are citizens of the United States, nor shall any tax, duty, impost fee, charge or exaction be imposed or collected by the Republic of the Philippines on personal funds or property, not intended for resale, imported into the Republic of the Philippines for the use of, or consumption by, U.S. Veterans Administration personnel under the program covered by this agreement, who are U.S. citizens, nor shall any export or other tax, fee, charge or exaction be imposed or collected by the Republic of the Philippines on any of the foregoing funds or property mentioned in this Article in the event of their removal from the Republic of the Philippines.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto, have signed this Agreement in duplicate, in the City of Manila, this 7th day of June, 1949.

For the Government of the United States of America:

MYRON M. COWEN

For the Government of the Republic of the Philippines:

ELPIDIO QUIRINO

EXCHANGE OF MEMORANDUMS

The Philippine Government to the United States Government

MEMORANDUM

Understanding Between the Negotiators with Reference to Article 22 of the Agreement Between the Government of the Republic of the Philippines and the Government of the United States of America on the Construction and Equipping of Hospitals of Veterans and the Provision of Medical Care and Treatment of Veterans by the Government of the Republic of the Philippines and the Furnishing of Grants-In-Aid thereof by the Government of the United States of America, signed on June 7, 1949.

With regard to Article 22 of the Agreement between the Government of the Republic of the Philippines and the Government of the United States of America on the Construction and Equipping of Hospitals of Veterans and

the Provision of Medical Care and Treatment of Veterans by the Government of the Republic of the Philippines and the Furnishing of Grants-In-Aid thereof by the Government of the United States of America, which was signed on June 7, 1949, the following statement has been agreed upon between the negotiators:

“With reference to Article 22 of the Agreement, it is understood between the negotiators that the ownership of the hospitals constructed under the terms of this Agreement, or of any part or equipment thereof, vests in the Government of the Philippines, and that what is left for determination by mutual consent of the two Governments is the use to which said hospitals, or any part or equipment thereof shall be devoted, as defined in Public Law 865—80th Congress.”

MANILA

June 7, 1949

[Initials illegible]

The United States Government to the Philippine Government

MEMORANDUM

Negotiations regarding the Agreement Between the Government of the United States of America and the Government of the Republic of the Philippines on the Construction and Equipping of Hospitals of Veterans and the Provision of Medical Care and Treatment of Veterans by the Government of the Republic of the Philippines and the Furnishing of Grants-in-Aid thereof by the Government of the United States of America, signed on June 7, 1949; Understanding Between Negotiators regarding Article 22.

With reference to the negotiations conducted between the representatives of the Philippine Government and the representatives of the Government of the United States for the purpose of reaching an Agreement on the Construction and Equipping of Hospitals of Veterans and the Provision of Medical Care and Treatment of Veterans by the Government of the Republic of the Philippines and the Furnishing of Grants-in-Aid thereof by the Government of the United States of America, it is agreed between the negotiators of the two Governments that the following statement be made setting forth their understanding of the meaning and intent of Article 22 of the aforementioned Agreement:

With reference to Article 22 of the Agreement, it is understood between the negotiators that the ownership of the hospitals constructed under the terms of this Agreement, or of any part or equipment thereof, vests in the Govern-

ment of the Philippines, and that what is left for determination by mutual consent of the two Governments is the use to which said hospitals, or any part or equipment thereof shall be devoted, as defined in Public Law 865—80th Congress.

T.H.L.

MANILA

August 5, 1949